

Governor Haley Barbour
Prepared Remarks
Mississippi School Boards Association
October 31, 2006

Education is the number one economic development issue and the number one quality of life issue in our state. It is rightly the number one priority of state government.

That priority has been reflected in the budgets for our K-12 public schools since I became Governor.

- This school year, teachers are making an average of 30% more than they were six years ago, after two consecutive 8% increases in teacher pay during my Administration.
- This school year, per student spending in our public schools will be approximately \$7,800, a 22% increase during my Administration. Since I have been Governor, state support for our K-12 school districts through the Mississippi Adequate Education Program has increased \$323 million, or 19%.
- The increased support for our school districts is reflected by the decisions school boards have made at the local level. Since I have been Governor, fewer school districts are raising local property taxes. The year the state came the closest to “fully funding” the MAEP formula, more school districts raised their taxes than in either one of the last two years. In the budget year before I took office (school year 2003-2004), 94 school districts raised their taxes. The last two years, that number dropped to 77 and 78 respectively. We don’t have all the data yet for the current school year (2006-2007), but all reports

indicate that the number of districts raising their taxes will be less than when MAEP was fully funded.

We have also worked with teachers, principals, school superintendents, community leaders, and Legislators to enact reforms so that we can get better results for the money we spend. Thanks to the UpGrade Education Reform Act which the Legislature passed last Spring:

- This school year, for the first time, local school leaders are free to make innovative decisions about how to run their schools without checking with officials in Jackson first since the Legislature adopted “Home Rule” for all school districts.
- Because the most important ingredient to a successful classroom is a quality teacher, we expanded our teacher recruitment and retention efforts by allowing automatic certification of any teacher meeting federal No Child Left Behind “highly qualified teacher” definition; authorizing a plan to pay teachers based on performance; authorizing higher pay for teachers in hard to staff subjects and districts; and expanding alternative certification programs.
- For the first time, every student will have the opportunity to earn college credit in high school through expanded dual credit and dual enrollment programs, more AP classes, and through the Mississippi Virtual Public School.
- To help put discipline in every classroom, the Legislature authorized financial rewards for teachers who serve as mentors to other middle school teachers.

- For the first time, the state is directing resources through private child care providers to ensure that our children are ready to learn by kindergarten.
- And, for the first time, the state of Mississippi is honestly acknowledging our 40% dropout rate and is implementing plans to address it.

Working with the Legislature, I know we will build on the positive steps that have been made in the last 2 ½ years. This morning, I was with the Legislative Budget Committee to adopt the revenue estimate that will guide us as we develop the budget for the 2007-2008 school year. We approved an estimate that predicts revenue growth of \$250 million in our state's General Fund over the current fiscal year.

That is encouraging news. It shows that our economy is growing and that we are increasing revenue without raising anybody's taxes by creating more taxpayers with more taxable income. It is encouraging that since we have dug out of our \$720 million budget hole in the last 2 ½ years, we don't have to replace hundreds of millions of dollars of one-time money from special funds before we even start working on the next year's budget.

There are lots of reasons to feel optimistic about this morning's announcement...until we remember that the State Board of Education has asked for the first \$360 million of that \$250 million increase.

\$158 million of the State Board's request is to fund the MAEP formula. A \$158 million increase would be 63% of the projected revenue growth –

revenue growth that also has to cover public safety, health care, and higher education needs.

My budget recommendation to the Legislature would increase funding for K-12 public schools by more than the amount the State Board of Education has requested for the MAEP formula. But I do not think we can afford for all of that increase to go to the MAEP formula and even if we could, I do not believe it would be the most effective way to improve our public schools.

With the increase I am proposing for our K-12 public schools, state support for K-12 will have increased by more than \$480 million during my Administration, an increase of more than 24%. This would be the largest increase in state spending for our K-12 public schools under any Mississippi Governor.

- Last year, Representative Cecil Brown and Senator Mike Chaney developed a plan to phase in full-funding of the MAEP formula over four years. My budget for the upcoming fiscal year will follow the bipartisan plan overwhelmingly approved by the Legislature that I signed into law, calling for a \$65 million increase in direct support for the school districts.
- By following this bipartisan phase-in plan, we can afford to give our public school teachers a 3% across-the-board teacher pay raise. With this pay raise, the average salary for a public school teacher will be more than \$42,000.
- In addition to this \$65 million increase in direct support through MAEP and a 3% teacher pay raise, my budget would pay for 100% of

the increased costs for health insurance premiums and retirement plan contributions for teachers and other school district employees – an increased cost to state taxpayers of approximately \$20 million.

- As I have done every year since I became Governor, I will support full funding of the high-growth formula to help those school districts that are growing at an exceptionally fast rate. The MAEP formula does not accurately reflect the number of kids in these school districts, so the state is not providing enough support. In the current school year, after two years of trying, we are partially funding the high-growth component of the MAEP formula for the first time. My budget will include the \$19 million that is needed to fully fund the high growth school districts.
- My budget will support our classroom teachers by more than doubling the amount of funding for classroom supplies, funding the full request for the National Board Certified Teacher program, and setting aside \$2 million to pay more to experienced middle school teachers who serve as mentors to new teachers.
- If we improve the health of our school children by keeping them physically active, they will be more ready to learn and less likely to be discipline problems. My budget will include \$2 million to provide the training support to our teachers so that every elementary student can have 30 minutes of physical activity each day.
- To help address our state's 40% dropout rate, I will include the funding that State Superintendent Hank Bounds is request for his plan to redesign our high schools. I will also include an extra \$500,000 for the Jobs for Mississippi graduates program to pilot the program in 10 middle schools.

These are some of the items I will include in a balanced budget that will put our state on solid financial footing with a growing rainy day fund after being in a \$720 million budget hole just three years ago. We can do this while increasing K-12 funding by 7%.

The steps we have taken in the last 2 ½ years and the steps we will take in the upcoming legislative session will improve the results we get in the classroom for years to come. After all, that is how any politician's commitment to education should be judged: by how our children are learning.

Thank you for what you do to improve the lives of our 470,000 children who are in our public schools.